

STATE OF MONTANA
DEPARTMENT OF ADMINISTRATION



Steve Bullock, GOVERNOR
Sheila Hogan, Director

Economic Affairs Interim Committee
7-15-14

I have put the bureau chief for the State Workers' Compensation Bureau on the agenda to talk about the effectiveness of consultation and training in reducing accidents

Introduction – Lance Zanto, DOA – thank you for the time to present today.

State government manages our workers' compensation insurance program in same manner as a private sector employer. What this entails is the daily monitoring of injuries that have occurred ensuring that proper treatment is being provided and timely return to work management activities are occurring and providing training to agencies on pertinent safety topics. Also, we work with each agency daily to ensure that they are promoting safe work practices, holding their required safety meetings and training their employees.

We have successfully implemented all requirements of the Montana Safety Culture Act in each state agency. Just meeting the requirements of this act however is not enough in managing an effective injury reduction program. We have moved beyond those requirements to further improve employee safety in each agency. We provide monthly training, monitor and attend regular agency safety meetings, and work with agency representatives to continually improve their program.

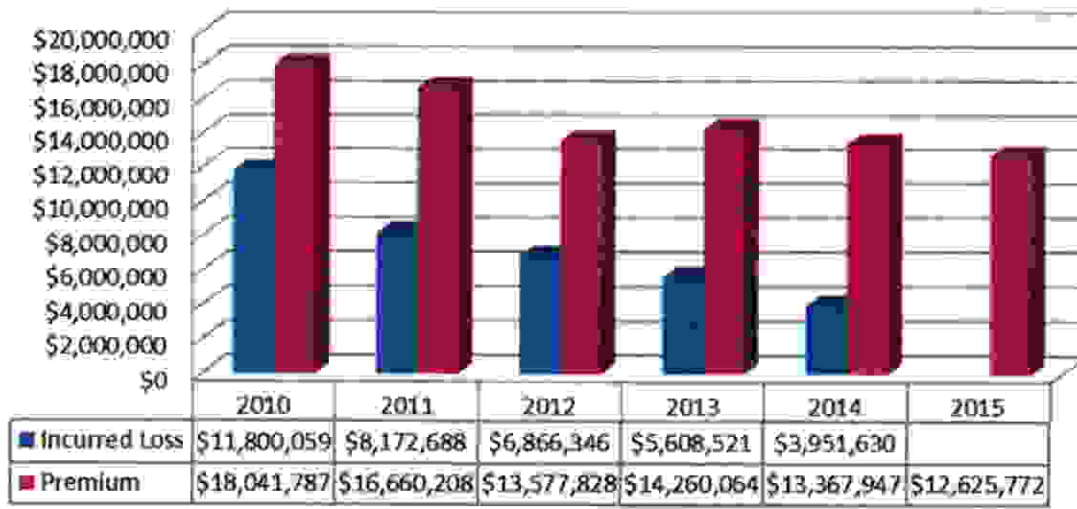
To date, we have reduced total claims 28% (876 to 628), wage loss claims 54% (170 to 78), and medical only claims 22% (706 to 550). As a result, premiums have reduced 30% to our current 2015 projected premium of \$12.6 million dollars.

We achieved our success through our efforts and capitalizing on our partners support through the state agency contacts, State Fund safety consultants and the Department of Labor's safety bureau consultants. We utilize the Department of Labor safety consultants regularly in reviewing locations that need testing and consultation assistance. Currently, federal OSHA does not have jurisdiction over public sector employers. The Department of Labor has the regulatory authority over public sector employers. We have had inspections completed by the Department of Labor as well as many consultative visits.

Specific to a state managed OSHA program, we see an opportunity for the state to concentrate on risks specific to Montana injury exposures as opposed to the federal programs that dictate the federal inspection process. We do have a lot of work ahead of us on developing the process and expectations of a state run program. We will continue to participate in this process moving forward.

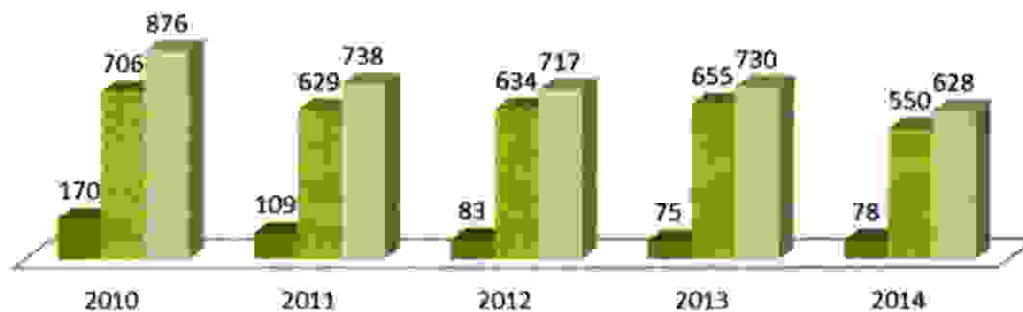
Economic Affairs Interim Committee
July 15, 2014
EXHIBIT 9

State Government - Claims / Premium



State Government - Wage Loss & Med Only Claims

■ Ind claims ■ Med only claims ■ Total clms



State Government - Written Payroll

